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C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 000254

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SUBJECT: PRESIDENT MA ON CROSS-STRAIT TIES AND U.S.
RELATIONS

REF: A. STATE 16693
[1](#)B. BEIJING 580
[1](#)C. TAIPEI 241

Classified By: The Director for reasons 1.4(B/d)

Summary

[1](#)1. (C). Taiwan President Ma Ying-jeou discussed bilateral relations, cross-Straits ties and Taiwan's domestic situation during a cordial one-hour meeting March 6. The President expressed confidence with the pace and direction of relations with China, noting that U.S. support for the process, in the form of public statements as well as security assistance, was essential for its success. The Director underscored the Obama Administration's commitment to continued security cooperation under the Taiwan Relations Act (TRA). On trade relations, the Director emphasized the need to swiftly conclude the risk assessment process and re-open Taiwan's market to the full range of U.S. beef imports. Ma reiterated his support for a Free Trade Agreement, Taiwan admission to the visa waiver program and a bilateral extradition agreement, while acknowledging that the first two are longer-term goals. End Summary.

U.S.-Taiwan Security Relations

[1](#)2. (C) A visibly relaxed Taiwan President Ma Ying-jeou discussed his efforts to improve cross-Straits relations, advance ties with the United States and reconcile domestic political differences during a cordial, hour-long March 6 meeting with the Director. The Director began the meeting by presenting the Secretary's verbal reply to President Ma's letter of congratulations on her appointment (ref A). Ma emphasized that many of the incoming Obama administration's key officials were well and favorably known on Taiwan.

[1](#)3. (C) Noting that he recently returned from consultations in Washington, DIR said his interlocutors there were familiar with Taiwan's concerns and needs, particularly on security issues. The U.S. government supports efforts to improve cross-Straits relations and understands Taiwan's need to enter these difficult discussions from a position of confidence. Indications from the Secretary's recent trip to Beijing suggested that China, while unable to alter its rhetorical opposition to weapons sales, understands the Obama

administration's commitment to fulfill our obligations under the TRA to supply defensive weapons to Taiwan. DIR noted that there would be an opportunity in the coming months for Taipei to make the detailed case for the specific weapons systems it seeks (septel).

Cross-Strait Ties

14. (C) Conceding that negotiating with the PRC was challenging, Ma said he nonetheless remained optimistic about the prospects for continuing cross-Strait rapprochement. Beijing is largely holding to the informal diplomatic truce Ma called, including by rebuffing requests from several of Taiwan's diplomatic allies to recognize the PRC. International space issues involving UN agencies would be more difficult, he acknowledged, but Taiwan is prepared to be flexible. For example, it is clear, Ma said, that Beijing is nervous about granting Taiwan WHA observer status, fearful that it will set a precedent for other UN agencies. Taiwan understands that these agencies are each unique and is prepared to address participation in them on a case-by-case basis.

15. (C) Ma expressed optimism that Beijing will deal with him because China's leaders know he does not intend to pursue de jure independence. Beijing was surprised, for example, when he told a Mexican newspaper August 26, 2008 that cross-Strait relations were between regions, and not states. Ma emphasized that he said this not to please Beijing but because it was simply an accurate reading of the ROC

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constitution. Although the PRC does not like his concept of &mutual non-recognition,8 the Chinese leadership is content to tacitly accept it and &one China, different interpretations,8 set the issue aside and focus on practical issues. Taiwan appreciates U.S. messages of support, Ma said, which help him manage both his dealings with China and with domestic critics. The President noted that, although the DPP continues to criticize his cross-Strait policy, some opposition scholars have endorsed his efforts to improve economic ties.

16. (C) Ma and NSC Secretary General Su Chi said they had seen news reports of PRC Premier Wen Jiabao's March 5 NPC speech (ref B) but had not had time to study it. Although it appeared to revisit Hu Jintao's December 31 speech, Su said, it was hard to offer an assessment of Wen's remarks without studying them thoroughly. Ma indicated he would not respond formally to Hu's speech, but said he might address individual points it contained at an appropriate time. In any event, Ma said, China is not currently pressing for a response.

17. (C) Ma confirmed that Taiwan is looking at holding the next round of SEF-ARATS talks in late April or early May (ref C), to give the Legislative Yuan (LY) time to ratify an MOU on financial supervision before its summer recess. The government wants to keep the LY involved in cross-Strait talks to the extent possible, to show respect to the institution and to secure broad buy-in into the process.

Non-Security Priorities in U.S. Relations

18. (C) DIR said efforts to fully open Taiwan's market to all U.S. beef remain a very high priority in Washington. While officials, including Agriculture Secretary Vilsack and key Hill staffers, are enthusiastic about deepening U.S.-Taiwan economic and commercial ties, there is significant frustration about the inability to remove beef from the agenda. Noting Ma's suggestion in a March 5 speech to the American Chamber of Commerce that the market might be opened sometime in the (newly-begun) Chinese Year of the Ox, DIR stressed the urgency of resolving the issue as quickly as

possible. Taiwan has a plan to communicate the (very slight) risks involved and open the market. The time has come to act, he emphasized, before some new, unforeseen and unrelated domestic issue arises and muddies the water. DIR noted that he hopes to see Health Minister Yeh next week and would press for a quick resolution on beef as well as progress on other U.S. agricultural concerns, including MRLs. Switching to Chinese, Ma turned to Su Chi, telling him to instruct the Minister to expedite a planned public announcement of the government's plan to open the market and follow-on public opinion poll.

¶9. (C) DIR noted that in Washington he also discussed Ma's interest in a U.S.-Taiwan FTA, the Visa Waiver Program and a bilateral extradition agreement. While FTA talks are highly unlikely in the near future, DIR said, there are a number of things Taiwan can do now, including making progress on a cross-strait Economic Cooperation Framework Agreement (ECFA). We also hope to revive the TIFA process soon.

¶10. (C) On visa waiver, Ma agreed that Taiwan needs to overcome a number of technical obstacles before the island would even be eligible. Clearly up-to-date with the issue, Ma acknowledged that Taiwan does not currently meet the statutory three percent refusal rate. DIR noted that there were other technical problems with Taiwan's case, including with Taiwan's passport issuance system. There is also a backlog of priority applicants, and the U.S. is still digesting the seven countries granted visa waiver last year. He assured the President, however, that Taiwan's case would be judged on its merits, and that the unique status of U.S.-Taiwan relations would not be a consideration.

¶11. (C) DIR expressed appreciation for Taiwan's efforts to return a criminal fugitive to California schedule to take place that evening and said senior State Department officials

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were well aware of Taiwan's interest in an extradition agreement and the potential benefits of concluding one.

Domestic Politics

¶12. (C) Ma was calm about the prospect of DPP opposition to his efforts to improve relations with China. DPP Chairman Tsai Ing-wen will criticize, Ma said, but the government will make sure her party is fully informed and keep moving forward. Beyond partisan politics, which accounted for a major part of DPP opposition, Tsai is worried about sovereignty, dignity and security, he said. To the extent that none of these are being put at risk, Ma concluded, opposition would be manageable.

Comment

¶13. (C) Ma's public comments March 5 and private remarks during our meeting indicate he knows American patience over the beef issue is wearing thin. We are hopeful that he will move quickly to resolve this matter as he seeks to engage more broadly with the Obama Administration on trade and other matters.
YOUNG